| 1   | Page 1   |
|-----|--|
|     | UNITED STATES DISTRICT COURT                   |
|     | SOUTHERN DISTRICT OF NEW YORK                  |
| 1 2 | CASE No. 07 CV 3219 (LTS)                      |
| 4   |  |
| -   | GMA ACCESORIES, INC.,                          |
| 6   |  |
| 7   |  |
|     | CHARLOTTE SOLNICKI, CHARLOTTE B, LLC, EMINENT, |
|     | INC., SAKS FIFTH AVENUE, INC., INTERMIX, INC., |
| 9   | WINK NYC INC., LISA KLINE, INC., GIRLSHOP,     |
|     | INC., SHOWROOM SEVEN STUDIOS, INC., ELECTRIC   |
| 10  | WONDERLAND, INC., SHOWROOM SEVEN INT'L,        |
|     | SHOWROOM SEVEN, JONATHAN SINGER, GOSI          |
| 11  | ENTERPRISES, LTD., TIERNEY DIRECT, LLC, and    |
|     | JONATHAN SOLNICKI, CHARLOTTE SOLNICKI, et al., |
| 12  |  |
| 13  | Defendants.                                    |
|     |  |
| 14  |  |
| 15  |  |
| 16  | DEPOSITION OF KAREN ERICSON                    |
| 17  | New York, New York                             |
| 18  | May 22, 2008                                   |
| 19  |  |
| 20  |  |
| 21  | REPORTED BY:                                   |
| 22  | DANIELLE GRANT                                 |
| 23  | JOB NO. 203307                                 |
| 24  |  |
| 25  |  |

|    | Page 5                                    |
|----|---|
| 1  | KAREN ERICSON                             |
| 2  | KAREN ERICSON, called as a witness,       |
| 3  | having been first duly sworn by Danielle  |
| 4  | Grant, a Notary Public within and for the |
| 5  | State of New York, was examined and       |
| 6  | testified as follows:                     |
| 7  | DIRECT EXAMINATION BY                     |
| 8  | MR. BOSTANY:                              |
| 9  | Q Can I your name for the record.         |
| 10 | A Karen Ericson.                          |
| 11 | Q Can I have your address for the         |
| 12 | record?                                   |
| 13 | A I have to ask. 436 West 20th,           |
| 14 | Apartment One.                            |
| 15 | Q Zip code?                               |
| 16 | A I have to ask.                          |
| 17 | Q Okay. No problem.                       |
| 18 | A 10011.                                  |
| 19 | Q Are you currently employed?             |
| 20 | A Yes.                                    |
| 21 | Q Where?                                  |
| 22 | A Showroom Seven.                         |
| 23 | Q What is the address?                    |
| 24 | A 263 Eleventh Avenue.                    |
| 25 | Q Zip code?                               |

|    |              | Page 6                              |
|----|--------------|-------------------------------------|
| 1  |              | KAREN ERICSON                       |
| 2  | A            | 10001.                              |
| 3  | Q            | How long have you been at that      |
| 4  | address?     |                                     |
| 5  | A            | Since April.                        |
| 6  | Q            | Of this year?                       |
| 7  | A            | Um-hmm.                             |
| 8  | Q            | What address was Showroom Seven     |
| 9  | before that  | ?                                   |
| 10 | A            | 498 Seventh Avenue.                 |
| 11 | Q            | City and zip code?                  |
| 12 | A            | New York City, New York, 10018.     |
| 13 | Q            | How long was Showroom Seven at that |
| 14 | address?     |                                     |
| 15 | A            | Twelve years, maybe, I'm not sure.  |
| 16 | Q            | What is your position?              |
| 17 | A            | I'm a manager.                      |
| 18 | Q            | Do you know who the president is or |
| 19 | the vice pre | esident?                            |
| 20 | A            | John Mark.                          |
| 21 | Q            | John Mark Flack?                    |
| 22 | A            | Yes.                                |
| 23 | Q            | What is his title?                  |
| 24 | A            | President.                          |
| 25 | Q            | Do you know who the vice president  |

ESQUIRE DEPOSITION SERVICES, LLC 1-800-944-9454

. .

|    |              | Page 7                               |
|----|--------------|--------------------------------------|
| 1  |              | KAREN ERICSON                        |
| 2  | is?          |                                      |
| 3  | A            | No.                                  |
| 4  | Q            | Are there any other officers besides |
| 5  | him that you | know of?                             |
| 6  | A            | Mandy Ericson.                       |
| 7  | Q            | Is she related to you?               |
| 8  | A            | My daughter.                         |
| 9  | Q            | What's her position?                 |
| 10 | A            | I'm not sure.                        |
| 11 | Q            | Any other officers besides those     |
| 12 | two?         |                                      |
| 13 | A            | I'm don't think so.                  |
| 14 | Q            | Were you ever an officer?            |
| 15 | A            | Yes.                                 |
| 16 | Q            | When did you cease being an officer? |
| 17 | A            | I don't remember.                    |
| 18 | Q            | Within the last five years?          |
| 19 | A            | Yeah, I would think so.              |
| 20 | Q            | Before or after 2004?                |
| 21 | A            | I don't remember.                    |
| 22 | Q            | Before or after 2002?                |
| 23 | A            | I don't remember.                    |
| 24 | Q            | What why did you cease being an      |
| 25 | officer?     |                                      |

|     | Page 17   |
|-----|---|
| 1   | KAREN ERICSON                                   |
| 2   | So, if you talk at the same time as I do, she   |
| 3   | has to pick which one she's going to type the   |
| 4   | words of. And if she picks me, then we don't    |
| 5   | see what your words are, and if she picks you,  |
| 6   | then nobody sees my words. That's why you have  |
| 7   | to wait.  |
| 8   | The other thing is you should give              |
| 9   | answers based upon your own personal knowledge. |
| 10  | That means if you have personal knowledge of    |
| 11  | the answer, you should give the answer. If you  |
| 12  | know what the answer is, but it's based on what |
| 13  | someone else told you or something you may have |
| 14  | heard, you have to say that in your answer. Do  |
| 15  | you understand those instructions?              |
| 16  | A Yes.  |
| 17  | Q Now, the documents I was allowed to           |
| 18  | inspect in the stairwell on May 15th, how is it |
| 19  | you were producing them and how is it you had   |
| 2 0 | ownership of them?                              |
| 21  | A Showroom Seven is a sales agency,             |
| 22  | and when we write purchase orders on behalf of  |
| 23  | clients, we keep records.                       |
| 24  | Q So, then is it your testimony that            |
|     |   |

25 these sales orders, or purchase orders, that you

|     | Page 58   |
|-----|---|
| 1   | KAREN ERICSON                                     |
| 2   | default judgement being entered against Showroom  |
| 3   | Seven?  |
| 4   | A I never knew there was one.                     |
| 5   | Q Did you ever see a copy of the Third            |
| 6   | Amended Complaint?                                |
| 7   | A No.   |
| 8   | Q I'm going to show you a summons                 |
| 9   | April 2, 2008, and a Third Amended Complaint      |
| 10  | dated April 1, 2008 and ask you if you have ever  |
| 11  | seen that document that was served upon Electric  |
| 12  | Wonderland Inc. via the Secretary of State, that  |
| 13  | Electric Wonderland Inc. never answered, and that |
| 14  | Electric Wonderland Inc. is in default of, have   |
| 15  | your seen those documents?                        |
| 16  | A I don't know.                                   |
| 17  | Q Do you have anything to do with                 |
| 18  | Electric Wonderland?                              |
| 19  | A Electric Wonderland is just a                   |
| 20  | corporation.                                      |
| 21  | Q Are you an officer of that                      |
| 22. | corporation?                                      |
| 23  | A No.   |
| 24  | Q Okay.   |
| 25  | ARBITRATOR ALBALAH: Let the record                |

|    | Page 59  |
|----|--|
| 1  | KAREN ERICSON                                    |
| 2  | reflect that the witness is leafing              |
| 3  | through the Third Amended Complaint and          |
| 4  | Summons.   |
| 5  | Q Those are yours to keep, I'm not               |
| 6  | taking them back, I'm not marking them. Your     |
| 7  | attorney has already written to me several times |
| 8  | indicating he is aware that Electric Wonderland  |
| 9  | Inc. is in default, and I don't know if he's     |
| 10 | informed you, but now I have.                    |
| 11 | ARBITRATOR ALBALAH: Let the record               |
| 12 | reflect the witness is conferring with           |
| 13 | her counsel and that's against the rules.        |
| 14 | You must only do that during a break,            |
| 15 | please.  |
| 16 | Q If you had to estimate the amount of           |
| 17 | profit, the aggregate amount of profit your      |
| 18 | company made on the sales let me ask you         |
| 19 | this withdrawn.                                  |
| 20 | When these customers came into                   |
| 21 | your premises?                                   |
| 22 | A Say again, sorry. When what                    |
| 23 | customers?                                       |
| 24 | Q Withdrawn.                                     |
| 25 | You testified earlier that the                   |